

Message Text

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P 101614Z AUG 73

FM AMEMBASSY PARIS

TO SECSTATE WASHDC PRIORITY 2459

INFO AMCONGEN BORDEAUX

AMCONGEN LYON

AMCONGEN MARSEILLE

AMCONSUL NICE

AMCONGEN STRASBOURG

UNCLAS SECTION 1 OF 2 PARIS 21641

FOR SECRETARY DENT AND UNDER SECRETARY CASEY FROM CHARGE

E.O. 11652: N/A

TAGS : BEXP, FR

SUBJECT : STATE/COMMERCE COOPERATION ON COMMERCIAL PROGRAM

REF : STATE 141993

BEGIN SUMMARY . WE WELCOME OPPORTUNITY COMMENT ON
AGENDA FOR FIRST OF DENT-CASEY MEETINGS, WHICH PROMISE TO BE
SIGNIFICANT DEVELOPMENT IN STRENGTHENING COMMERCIAL OPERATIONS.
THESE COMMENTS CONCENTRATE ON PROBLEM AREAS IN ECONOMIC/COMMERCIAL
REPRESENTATION ABROAD, WITH PARTICULAR EMPHASIS ON OMB RECOM-
MENDATIONS, BUT ALSO WITH RESPECT WASHINGTON ACTIVITIES AS THEY
AFFECT FIELD OPERATIONS. WE PROPOSE APPROACH TO INTEGRATION OF
ECONOMIC/COMMERCIAL WORK AT POSTS WHICH WOULD PRESERVE
BENEFITS OF JOB SPECIALIZATION BUT STILL GIVE COMMERCIAL
OFFICERS ROLE IN ANALYSIS AND POLICY RECOMMENDATION.
WE ARE ESPECIALLY CONCERNED WITH FURTHER UPGRADING
FSL STATUS AND RESPONSIBILITIES, AND RECOMMEND IMPROVED
TRAINING AND INDOCTRINATION IN THE U.S. PLUS ACCESS
TO REPRESENTATION FUNDS. WE WOULD BROADEN ECONOMIC
TRAINING OF FSO'S TO INCLUDE MORE PRACTICAL COMMERCIAL
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SUBJECTS AND GRADUATE COURSES IN BUSINESS SCHOOLS.

WE SEE ROOM FOR IMPROVEMENT IN ECONOMIC COMPETENCE OF STATE GEOGRAPHIC BUREAUS, COUNTRY DESK ORGANIZATION IN COMMERCE, PERSONNEL ASSIGNMENT PROCEDURES FOR COMMERCIAL POSITIONS AND FEEDBACK ON REPORTING AND TRADE OPPORTUNITIES. TO ASSIST US IN FIELD, WE WOULD GIVE HIGH PRIORITY TO STRENGTHENING OF COMMERCE DISTRICT OFFICES, NOTABLY THROUGH ASSIGNMENT TO THESE OFFICES OF FSO'S AND EXTENDED CONSULTATION OF FSO'S WITH DISTRICT OFFICES AND FIRMS IN THEIR AREA. END SUMMARY.

1. THE EMBASSY CONSIDERS THE QUARTERLY MEETINGS BETWEEN SECRETARY DENT AND UNDER SECRETARY CASEY AN EXTREMELY ENCOURAGING DEVELOPMENT, PERHAPS THE MOST IMPORTANT OF ALL THE MANY STEPS TAKEN RECENTLY TO STRENGTHEN OUR COMMERCIAL PROGRAM. WE BELIEVE THAT THE BEST WAY TO STRENGTHEN COMMERCIAL QUESTIONS IN THE FIELD IS THROUGH GREATER INTEGRATION OF ECONOMIC AND COMMERCIAL WORK. HOWEVER, IT IS DIFFICULT TO ACHIEVE INTEGRATION IN THE FIELD WHEN THERE ARE DIVISION AND FRAGMENTATION OF CONTROL IN WASHINGTON.

2. IN THIS MESSAGE WE DEVOTE OUR PRIMARY ATTENTION TO PROBLEM AREAS IN OUR ECONOMIC/COMMERCIAL REPRESENTATION ABROAD WITH PARTICULAR EMPHASIS ON THE OMB RECOMMENDATIONS. WE ALSO ADDRESS OURSELVES TO PROBLEMS OF PROGRAM DIRECTION AND BACKSTOPPING IN WASHINGTON INSOFAR AS THEY AFFECT OUR ABILITY TO DO OUR JOB HERE.

3. IN OUR OPINION THE PRINCIPAL REASON FOR SEEKING GREATER INTEGRATION OF ECONOMIC AND COMMERCIAL WORK IN THE FIELD IS TO PROVIDE COMMERCIAL OFFICERS WITH A MORE CHALLENGING ROLE. AS WE POINTED OUT IN OUR REPLY TO SECRETARY ROGERS CALL FOR SUGGESTIONS FOR STRENGTHENING COMMERCIAL WORK (PARIS 5369 OF MARCH 21, 1972). THE ONLY WAY TO ATTRACT AND HOLD ABLE OFFICERS IN COMMERCIAL WORK IS TO PUT AN END TO A SITUATION IN WHICH SOME COMMERCIAL OFFICERS HAVE THE FEELING THAT THEY ARE SECOND-CLASS CITIZENS DOING LESS IMPORTANT WORK AND HAVING A LESS PROMISING FUTURE THAN ECONOMIC

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OFFICERS. IN THE FOREIGN SERVICE, AS THE OMB REPORT POINTS OUT, THE ACTIVITY THAT MOST OFFICERS ASPIRE TO IS POLICY MAKING, WHICH IN THE FIELD MEANS PRINCIPALLY ANALYZING AND REPORTING LOCAL DEVELOPMENTS. THE PROBLEM IN THE FIELD IS HOW TO RECONCILE THE NEED FOR GIVING THE COMMERCIAL OFFICER A ROLE IN THIS ACTIVITY WITH THE SPECIALIZATION THAT EFFICIENCY DEMANDS. IT IS OUR EXPERIENCE THAT, IN ORDER TO

ACHIEVE MAXIMUM EFFICIENCY AND PRODUCTIVITY, OFFICERS SHOULD WORK WITHIN A RELATIVELY WELL-DEFINED AREA AND ONE THAT IS NARROW ENOUGH TO BE MANAGEABLE. WE CONCLUDE FROM THIS THAT COMPLETE INTEGRATION OF ECONOMIC AND COMMERCIAL WORK IS NOT DESIRABLE AND THAT THE BREAKING DOWN OF WORK RESPONSIBILITIES INTO THE TWO GENERAL AREAS OF CONTACTS WITH BUSINESS AND CONTACTS WITH GOVERNMENTS SEEMS TO US UNAVOIDABLE IF INDIVIDUAL OFFICERS ARE TO DEVELOP THE EXPERTISE WHICH IS THE PRINCIPAL ARGUMENT FOR SPECIALIZATION. WE WOULD THUS APPEAR TO FACE A DILEMMA BETWEEN EFFICIENCY AND JOB SATISFACTION.

4. WE BELIEVE THAT THIS IS A FALSE DILEMMA. IT IS NOT CONTACT WITH THE GOVERNMENT, AS THE OMB REPORT IMPLIES, THAT MAKES ECONOMIC WORK MORE GLAMOROUS THAN COMMERCIAL WORK. CONTACTS WITH SENIOR BUSINESS EXECUTIVES, PARTICULARLY IN AN ADVANCED INDUSTRIAL SOCIETY LIKE FRANCE, CAN OFTEN BE MORE INTERESTING AND BRING THE OFFICER INTO TOUCH WITH PROBLEMS OF GREATER IMPORTANCE THAN CONTACTS WITH MEDIUM LEVEL GOVERNMENT OFFICIALS. WHAT MAKES ECONOMIC WORK MORE INTERESTING THAN COMMERCIAL WORK FOR MOST FOREIGN SERVICE OFFICERS IS NOT THE NATURE .../...STONE

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OF THE CONTACTS BUT INVOLVEMENT IN THE POLICY PROCESS, WHICH IN THE FIELD GENERALLY MEANS ANALYSIS AND POLICY RECOMMENDATION. THE SOLUTION TO THE PROBLEM, WE BELIEVE, IS TO INVOLVE COMMERCIAL OFFICERS DIRECTLY IN THIS PROCESS THROUGH THE ESTABLISHMENT OF SMALL TEMPORARY WORKING GROUPS COMPRISED OF BOTH ECONOMIC AND COMMERCIAL OFFICERS TO DEAL WITH SPECIFIC POLICY PROBLEMS. WE HAVE EXPERIMENTED WITH THIS PROCESS ON A LIMITED BASIS HERE (IN THE FIELD OF COMPUTERS AND SEMI-CONDUCTORS AMONG OTHERS) AND INTEND TO BROADEN OUR EFFORTS IN THE MONTHS AHEAD. WE BELIEVE CONTRARY TO THE VIEWS OF THE OMB REPORT, THAT ANOTHER WAY OF OVERCOMING THE DISADVANTAGE OF SOME DEGREE OF SPECIALIZATION AS BETWEEN ECONOMIC AND COMMERCIAL WORK WOULD BE ALTERNATING ECONOMIC AND COMMERCIAL ASSIGNMENTS. WE BELIEVE THAT THE GENERAL PROBLEM OF SPECIALIZATION VERSUS INTEGRATION IS ONE WHICH THE DENT-CASEY GROUP OUGHT TO DEVOTE PARTICULAR ATTENTION TO. THE SOLUTION PROPOSED ABOVE IS OBVIOUSLY NOT THE ONLY ONE. OTHER PROCEDURES MIGHT BE DEVISED AND TRIED OUT IN THE FIELD IN PILOT PROJECTS.

5. A SECOND PROBLEM AREA IN THE FIELD IS HOW TO MAKE MORE EFFECTIVE USE OF LOCAL EMPLOYEES, AN IMPORTANT RESOURCE, AS THE OMB REPORT POINTS OUT, WHICH HAS NOT BEEN ADEQUATELY TAPPED. LOCAL EMPLOYEES PROVIDE INVALUABLE CONTINUITY AND, WHILE WE

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RECOGNIZE THAT IT IS PROBABLY NOT POSSIBLE IN OUR SYSTEM TO PLACE SUCH HEAVY RELIANCE ON THEM AS AMERICAN INTERNATIONAL CORPORATIONS DO, WE THINK MANY WAYS COULD BE FOUND TO INCREASE THEIR DEDICATION, QUALITY, AND EFFECTIVENESS. AS A CONTRIBUTION TO A DISCUSSION OF THIS PROBLE AREA, WE WOULD LIKE TO REPEAT EARLIER RECOMMENDATIONS THAT A PERMANENT, HIGH-QUALITY PROGRAM FOR TRAINING LOCALS IN THE U.S. BE ESTABLISHED AND THAT INCREASED PROVISION BE MADE FOR INDOCTRINATION VISITS TO THE U.S. BY LOCALS. WE ALSO BELIEVE THERE SHOULD BE AUTHORITY FOR LOCALS TO USE REPRESENTATION FUNDS.

6. ANOTHER IMPORTANT PROBLEM AREA WHICH WE BELIEVE THE DENT-CASEY GROUP SHOULD EXPLORE IS HOW TO STRENGTHEN PROGRAM DIRECTION AND BRACKSTOPPING IN WASHINGTON. WE STRONGLY ENDORSE THE OMB REPORT'S RECOMMENDATION ON THE UPGRADING OF THE SKILLS OF ECONOMIC/COMMERCIAL OFFICERS. HOWEVER, WE DO NOT SHARE THE REPORT'S SKEPTICISM ABOUT EXCHANGE PROGRAMS WITH THE PRIVATE SECTOR. ON THE CONTRARY, WE BELIEVE THAT PRIVATE SECTOR EXPERIENCE, AS WELL AS MORE PRACTICAL COMMERCIAL TRAINING, WITH EMPHASIS ON MARKETING AND MARKET RESEARCH AND THE TECHNIQUES OF FOREIGN TRADE, ARE AS IMPORTANT AS A THOROUGH GROUNDING IN ECONOMICS, AND THAT ASSIGNMENTS OF FSO'S TO GRADUATE COURSES IN BUSINESS SCHOOLS ARE AS VALUABLE AS UNIVERSITY ECONOMIC TRAINING.

7. WE ALSO SUPPORT THE RECOMMENDATION THAT THE ECONOMIC COMPETENCE OF THE GEOGRAPHIC BUREAUS IN STATE BE STRENGTHENED.

8. RELATED TO THE ABOVE IS OUR RECOMMENDATION THAT COMMERCE, ALTHOUGH NOW MUCH IMPROVED ORGANIZATIONALLY, SHOULD ESTABLISH COUNTRY DESKS AS CHANNELS FOR VIRTUALLY ALL COMMERCE RELATIONS AND COMMUNICATIONS WITH POSTS.

9. WHEREVER RESPONSIBILITY MAY LIE, IT HAS BEEN CLEAR FOR A LONG TIME THAT PROCEDURES FOR ASSIGNING OFFICERS TO THIS EMBASSY'S OFFICE OF COMMERCIAL AFFAIRS ARE NOT WORKING WELL. WE HAVE BEEN UNABLE TO GET EVEN REASONABLE OVERLAPSE OF PERSONNEL, E.G., ONE WEEK, AND OFTEN THE GAP IS A MATTER OF MONTHS. AT PRESENT WE ARE AWAITING REPLACEMENTS FOR TWO OFFICERS WHO LEFT IN JUNE. ONE IS NOW DUE IN MID-SEPTEMBER; THE OTHER AS OF THIS DATE HAS NOT YET BEEN SELECTED. THIS IS CLEARLY A PROBLEM AREA.
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10. WE WOULD ASSIGN HIGH PRIORITY TO STRENGTHENING COMMERCE'S DISTRICT OFFICES:

(A) ANY PROGRAM TO SECURE A MAXIMUM INCREASE IN EXPORTS MUST ENCOMPASS A GREATER EFFORT AT THE COMMERCE DISTRICT OFFICE LEVEL TO IDENTIFY, RECRUIT AND TRAIN POTENTIAL EXPORTERS AND TO AID ESTABLISHED EXPORTERS TO INCREASE THEIR SHARE OF FOREIGN MARKETS. THIS REQUIRES A SUBSTANTIALLY GREATER COMMITMENT OF RESOURCES TO DOMESTIC FIELD ACTIVITIES THAN HAS HERETOFORE BEEN MADE.

(B) TO SUPPORT A STRONG DOMESTIC FIELD PROGRAM, WE FURTHER PROPOSE (I) BROADENING THE STATE-COMMERCE EXCHANGE PROGRAM TO PLACE FSO'S IN MID-CAREER AND SENIOR COMMERCE FIELD POSITIONS, INCLUDING DISTRICT OFFICE DIRECTORSHIPS, FOR MINIMUM TWO-YEAR ASSIGNMENTS; AND (II) EXTENDING AND IMPROVING FIELD CONSULTATION PROGRAMS FOR RETURNING COMMERCIAL OFFICERS (PRESENT ARRANGEMENTS AND FUNDING ARE TOO HAPHAZARD AND THEREFORE NOT EFFECTIVE).

11. FINALLY, WE WOULD WELCOME IMPROVED PROCEDURES FOR FEEDBACK AND EVALUATION OF OUR REPORTING AND RESULTS OF THE MORE SIGNIFICANT TRADE OPPORTUNITY LEADS. STONE

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